



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

September 26, 1985

SUBJECT: Debt Set-Aside Program Deficiencies

TO: All State Directors and
Farmer Program Chiefs, FmHA

PURPOSE/INTENDED OUTCOME

This Administrative Notice (AN) provides further guidance on the debt set-aside program.

COMPARISON WITH PREVIOUS AN

FmHA AN 1207(1951), dated May 31, 1985, required all State Directors to conduct a special operations review of county office debt set-aside processing and to correct all deficiencies identified in this review by September 1, 1985.

IMPLEMENTATION RESPONSIBILITIES

Based on the deficiencies you reported, the initial findings of an OIG audit and questions that we have had on the procedural requirements for the debt set-aside program, it has been determined that additional guidance is needed.

It is suggested that you suspend any future corrective actions on debt set-aside until this additional guidance is provided within 30 days. State Directors are to determine how this information is to be distributed to their field offices.

If you have any questions concerning this AN, please contact Jane Corbett at FTS 475-4012.

VANCE L. CLARK
Administrator

EXPIRATION DATE: April 30, 1986

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1951-A

Sent by Eletronic Mail on September 30, 1985 at 10:29a.m. by DASD. The State Director should advise other personnel as appropriate.



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